



3015 (02-09-04)

**ANNUAL REPORT**

OF

Name: KOHLER MUNICIPAL WATER UTILITY

Principal Office: 319 HIGHLAND  
KOHLER, WI 53044

For the Year Ended: DECEMBER 31, 2003

**WATER, ELECTRIC, OR JOINT UTILITY  
TO  
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854  
Madison, WI 53707-7854  
(608) 266-3766

*This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.*



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**IDENTIFICATION AND OWNERSHIP**

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**Exact Utility Name:** KOHLER MUNICIPAL WATER UTILITY**Utility Address:** 319 HIGHLAND  
KOHLER, WI 53044**When was utility organized?** 1/1/1916**Report any change in name:****Effective Date:****Utility Web Site:**

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**Utility employee in charge of correspondence concerning this report:**

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**Name:** MS. JANICE MOYER**Title:** CLERK - TREASURER**Office Address:**319 HIGHLAND  
KOHLER, WI 53044**Telephone:** (920) 459 - 3873**Fax Number:** (920) 459 - 3289**E-mail Address:**

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**Individual or firm, if other than utility employee, preparing this report:**

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**Name:** DONALD N. VILIONE**Title:** PARTNER**Office Address:** VIRCHOW, KRAUSE & COMPANY, LLP115 SOUTH 84TH STREET, SUITE 400  
MILWAUKEE, WI 53214**Telephone:** (414) 777 - 5424**Fax Number:** (414) 777 - 5555**E-mail Address:** DVILIONE@VIRCHOWKRAUSE.COM

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**President, chairman, or head of utility commission/board or committee:**

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**Name:** OSCAR WARD**Title:** VILLAGE PRESIDENT**Office Address:**319 HIGHLAND  
KOHLER, WI 53044**Telephone:** (920) 459 - 3873**Fax Number:** (920) 459 - 3289**E-mail Address:**

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**Are records of utility audited by individuals or firms, other than utility employee?**    YES

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**IDENTIFICATION AND OWNERSHIP**

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**Individual or firm, if other than utility employee, auditing utility records:**

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**Name:** DONALD N. VILIONE**Title:** PARTNER**Office Address:** VIRCHOW, KRAUSE & COMPANY, LLP  
115 SOUTH 84TH STREET, SUITE 400  
MILWAUKEE, WI 53214**Telephone:** (414) 777 - 5424**Fax Number:** (414) 777 - 5555**E-mail Address:** DVILIONE@VIRCHOWKRAUSE.COM**Date of most recent audit report:** 2/4/2004**Period covered by most recent audit:** 2003

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**Names and titles of utility management including manager or superintendent:**

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**Name:** BRUCE NEERHOF**Title:** UTILITY MANAGER**Office Address:**319 HIGHLAND  
KOHLER, WI 53044**Telephone:** (920) 459 - 3873**Fax Number:** (920) 459 - 3289**E-mail Address:**

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**Name of utility commission/committee:** MR. OSCAR WARD, VILLAGE PRESIDENT

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**Names of members of utility commission/committee:**

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MR OSCAR WARD, VILLAGE PRESIDENT

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**Is sewer service rendered by the utility?** NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:** **Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

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**Provide the following information regarding the provider(s) of contract services:**

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## IDENTIFICATION AND OWNERSHIP

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**Firm Name:**

**Contact Person:**

**Title:**

**Telephone:**

**Fax Number:**

**E-mail Address:**

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**Contract/Agreement beginning-ending dates:**

**Provide a brief description of the nature of Contract Operations being provided:**

**INCOME STATEMENT**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>UTILITY OPERATING INCOME</b>			
Operating Revenues (400)	582,647	561,935	1
<b>Operating Expenses:</b>			
Operation and Maintenance Expense (401)	435,873	416,751	2
Depreciation Expense (403)	26,113	57,581	3
Amortization Expense (404)	0	0	4
Taxes (408)	57,692	57,248	5
<b>Total Operating Expenses</b>	<b>519,678</b>	<b>531,580</b>	
<b>Net Operating Income</b>	<b>62,969</b>	<b>30,355</b>	
Income from Utility Plant Leased to Others (412-413)	0	0	6
<b>Utility Operating Income</b>	<b>62,969</b>	<b>30,355</b>	
<b>OTHER INCOME</b>			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	5,024	9,205	9
Miscellaneous Nonoperating Income (421)	48,888	0	10
<b>Total Other Income</b>	<b>53,912</b>	<b>9,205</b>	
<b>Total Income</b>	<b>116,881</b>	<b>39,560</b>	
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	32,372	0	12
<b>Total Miscellaneous Income Deductions</b>	<b>32,372</b>	<b>0</b>	
<b>Income Before Interest Charges</b>	<b>84,509</b>	<b>39,560</b>	
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt (427)	0	0	13
Amortization of Debt Discount and Expense (428)	0		14
Amortization of Premium on Debt--Cr. (429)	0		15
Interest on Debt to Municipality (430)	13,177	10,920	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0		18
<b>Total Interest Charges</b>	<b>13,177</b>	<b>10,920</b>	
<b>Net Income</b>	<b>71,332</b>	<b>28,640</b>	
<b>EARNED SURPLUS</b>			
Unappropriated Earned Surplus (Beginning of Year) (216)	659,922	631,282	19
Balance Transferred from Income (433)	71,332	28,640	20
Miscellaneous Credits to Surplus (434)	1,222,918	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)		0	24
<b>Total Unappropriated Earned Surplus End of Year (216)</b>	<b>1,954,172</b>	<b>659,922</b>	

**INCOME STATEMENT ACCOUNT DETAILS**

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
<b>UTILITY OPERATING INCOME</b>				
<b>Operating Revenues (400):</b>				
Derived	582,647		582,647	1
<b>Total (Acct. 400):</b>	<b>582,647</b>	<b>0</b>	<b>582,647</b>	
<b>Operation and Maintenance Expense (401):</b>				
Derived	435,873		435,873	2
<b>Total (Acct. 401):</b>	<b>435,873</b>	<b>0</b>	<b>435,873</b>	
<b>Depreciation Expense (403):</b>				
Derived	26,113		26,113	3
<b>Total (Acct. 403):</b>	<b>26,113</b>	<b>0</b>	<b>26,113</b>	
<b>Amortization Expense (404):</b>				
Derived	0		0	4
<b>Total (Acct. 404):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Taxes (408):</b>				
Derived	57,692		57,692	5
<b>Total (Acct. 408):</b>	<b>57,692</b>	<b>0</b>	<b>57,692</b>	
<b>Revenues from Utility Plant Leased to Others (412):</b>				
NONE	0		0	6
<b>Total (Acct. 412):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Expenses of Utility Plant Leased to Others (413):</b>				
NONE	0		0	7
<b>Total (Acct. 413):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>TOTAL UTILITY OPERATING INCOME:</b>	<b>62,969</b>	<b>0</b>	<b>62,969</b>	
<b>OTHER INCOME</b>				
<b>Income from Merchandising, Jobbing and Contract Work (415-416):</b>				
Derived	0		0	8
<b>Total (Acct. 415-416):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Nonoperating Rental Income (418):</b>				
NONE	0		0	9
<b>Total (Acct. 418):</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Interest and Dividend Income (419):</b>				
INTEREST FROM INVESTMENTS	3,154	0	3,154	10
INTEREST FROM ADVANCE TO SEWER UTILITY	1,870	0	1,870	11
<b>Total (Acct. 419):</b>	<b>5,024</b>	<b>0</b>	<b>5,024</b>	



**INCOME STATEMENT ACCOUNT DETAILS**

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
<b>OTHER INCOME</b>			
<b>Miscellaneous Nonoperating Income (421):</b>			
Contributed Plant - Water		48,888	<b>48,888 12</b>
NONE	0	0	<b>0 13</b>
<b>Total (Acct. 421):</b>	<b>0</b>	<b>48,888</b>	<b>48,888</b>
<b>TOTAL OTHER INCOME:</b>	<b>5,024</b>	<b>48,888</b>	<b>53,912</b>

**MISCELLANEOUS INCOME DEDUCTIONS**

<b>Miscellaneous Amortization (425):</b>			
NONE	0	0	<b>0 14</b>
<b>Total (Acct. 425):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Income Deductions (426):</b>			
Depreciation Expense on Contributed Plant - Water		32,372	<b>32,372 15</b>
NONE	0	0	<b>0 16</b>
<b>Total (Acct. 426):</b>	<b>0</b>	<b>32,372</b>	<b>32,372</b>
<b>TOTAL MISCELLANEOUS INCOME DEDUCTIONS:</b>	<b>0</b>	<b>32,372</b>	<b>32,372</b>

**INTEREST CHARGES****Interest on Long-Term Debt (427):**

Derived	0		<b>0 17</b>
<b>Total (Acct. 427):</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Amortization of Debt Discount and Expense (428):**

NONE	0		<b>0 18</b>
<b>Total (Acct. 428):</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Amortization of Premium on Debt--Cr. (429):**

NONE	0		<b>0 19</b>
<b>Total (Acct. 429):</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Interest on Debt to Municipality (430):**

Derived	13,177		<b>13,177 20</b>
<b>Total (Acct. 430):</b>	<b>13,177</b>	<b>0</b>	<b>13,177</b>

**Other Interest Expense (431):**

Derived	0		<b>0 21</b>
<b>Total (Acct. 431):</b>	<b>0</b>	<b>0</b>	<b>0</b>

**INCOME STATEMENT ACCOUNT DETAILS**

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
<b>INTEREST CHARGES</b>			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 22
<b>Total (Acct. 432):</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL INTEREST CHARGES:</b>	<b>13,177</b>	<b>0</b>	<b>13,177</b>
<b>NET INCOME:</b>	<b>54,816</b>	<b>16,516</b>	<b>71,332</b>
<b>EARNED SURPLUS</b>			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	659,922	0	659,922 23
<b>Total (Acct. 216):</b>	<b>659,922</b>	<b>0</b>	<b>659,922</b>
Balance Transferred from Income (433):			
Derived	54,816	16,516	71,332 24
<b>Total (Acct. 433):</b>	<b>54,816</b>	<b>16,516</b>	<b>71,332</b>
Miscellaneous Credits to Surplus (434):			
CIAC ELIMINATION	0	1,222,918	1,222,918 25
<b>Total (Acct. 434):</b>	<b>0</b>	<b>1,222,918</b>	<b>1,222,918</b>
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
<b>Total (Acct. 435)--Debit:</b>	<b>0</b>	<b>0</b>	<b>0</b>
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
<b>Total (Acct. 436)--Debit:</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):</b>	<b>714,738</b>	<b>1,239,434</b>	<b>1,954,172</b>

**INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)**

<b>Particulars (a)</b>	<b>Water (b)</b>	<b>Electric (c)</b>	<b>Sewer (d)</b>	<b>Gas (e)</b>	<b>Total (f)</b>	
Revenues (account 415)					0	1
<b>Costs and Expenses of Merchandising, Jobbing and Contract Work (416):</b>						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
<b>Total costs and expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net income (or loss)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT**

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

<b>Description (a)</b>	<b>Water Utility (b)</b>	<b>Electric Utility (c)</b>	<b>Sewer Utility (Regulated Only) (d)</b>	<b>Gas Utility (e)</b>	<b>Total (f)</b>	
Total operating revenues	582,647	0	0	0	<b>582,647</b>	<b>1</b>
Less: interdepartmental sales	0		0	0	<b>0</b>	<b>2</b>
Less: interdepartmental rents					<b>0</b>	<b>3</b>
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				<b>0</b>	<b>4</b>
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					<b>0</b>	<b>5</b>
<b>Other Increases or (Decreases) to Operating Revenues - Specify:</b>						
.					<b>0</b>	<b>6</b>
<b>Revenues subject to Wisconsin Remainder Assessment</b>	<b>582,647</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>582,647</b>	

**BALANCE SHEET**

<b>Assets and Other Debits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>UTILITY PLANT</b>			
Utility Plant (100)	3,116,454	3,039,325	<b>1</b>
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	1,128,579	704,587	<b>2</b>
<b>Net Utility Plant</b>	<b>1,987,875</b>	<b>2,334,738</b>	
<b>OTHER PROPERTY AND INVESTMENTS</b>			
Nonutility Property (121)	7,490	7,490	<b>3</b>
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	3,730	3,730	<b>4</b>
<b>Net Nonutility Property</b>	<b>3,760</b>	<b>3,760</b>	
Investment in Municipality (123)	18,442	36,883	<b>5</b>
Other Investments (124)	0	0	<b>6</b>
Special Funds (125)	0	0	<b>7</b>
<b>Total Other Property and Investments</b>	<b>22,202</b>	<b>40,643</b>	
<b>CURRENT AND ACCRUED ASSETS</b>			
Cash and Working Funds (131)	287,126	259,795	<b>8</b>
Temporary Cash Investments (132)			<b>9</b>
Notes Receivable (141)	0	0	<b>10</b>
Customer Accounts Receivable (142)	118,354	117,003	<b>11</b>
Other Accounts Receivable (143)	1,428	1,204	<b>12</b>
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	<b>13</b>
Receivables from Municipality (145)	28,304	34,997	<b>14</b>
Materials and Supplies (150)	16,942	16,942	<b>15</b>
Prepayments (165)	0	0	<b>16</b>
Other Current and Accrued Assets (170)			<b>17</b>
<b>Total Current and Accrued Assets</b>	<b>452,154</b>	<b>429,941</b>	
<b>DEFERRED DEBITS</b>			
Unamortized Debt Discount and Expense (181)	0	0	<b>18</b>
Extraordinary Property Losses (182)	0	0	<b>19</b>
Other Deferred Debits (183)	0	0	<b>20</b>
<b>Total Deferred Debits</b>	<b>0</b>	<b>0</b>	
<b>Total Assets and Other Debits</b>	<b>2,462,231</b>	<b>2,805,322</b>	

**BALANCE SHEET**

<b>Liabilities and Other Credits (a)</b>	<b>Balance End of Year (b)</b>	<b>Balance First of Year (c)</b>	
<b>PROPRIETARY CAPITAL</b>			
Capital Paid in by Municipality (200)	220,072	220,072	<b>21</b>
Appropriated Earned Surplus (215)			<b>22</b>
Unappropriated Earned Surplus (216)	1,954,172	659,922	<b>23</b>
<b>Total Proprietary Capital</b>	<b>2,174,244</b>	<b>879,994</b>	
<b>LONG-TERM DEBT</b>			
Bonds (221)	0	0	<b>24</b>
Advances from Municipality (223)	209,310	238,299	<b>25</b>
Other long-Term Debt (224)	0	0	<b>26</b>
<b>Total Long-Term Debt</b>	<b>209,310</b>	<b>238,299</b>	
<b>CURRENT AND ACCRUED LIABILITIES</b>			
Notes Payable (231)	0	0	<b>27</b>
Accounts Payable (232)	24,796	24,494	<b>28</b>
Payables to Municipality (233)	0	17,926	<b>29</b>
Customer Deposits (235)			<b>30</b>
Taxes Accrued (236)	51,614	51,614	<b>31</b>
Interest Accrued (237)	2,267	1,020	<b>32</b>
Other Current and Accrued Liabilities (238)			<b>33</b>
<b>Total Current and Accrued Liabilities</b>	<b>78,677</b>	<b>95,054</b>	
<b>DEFERRED CREDITS</b>			
Unamortized Premium on Debt (251)	0	0	<b>34</b>
Customer Advances for Construction (252)			<b>35</b>
Other Deferred Credits (253)	0	0	<b>36</b>
<b>Total Deferred Credits</b>	<b>0</b>	<b>0</b>	
<b>OPERATING RESERVES</b>			
Miscellaneous Operating Reserves (265)			<b>37</b>
<b>Total Operating Reserves</b>	<b>0</b>	<b>0</b>	
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>			
Contributions in Aid of Construction (271)	0	1,591,975	<b>38</b>
<b>Total Liabilities and Other Credits</b>	<b>2,462,231</b>	<b>2,805,322</b>	

**NET UTILITY PLANT**

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

<b>Particulars (a)</b>	<b>Water (b)</b>	<b>Sewer (c)</b>	<b>Gas (d)</b>	<b>Electric (e)</b>	
<b>First of Year:</b>					
Total Utility Plant - First of Year	3,039,325	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
<b>Plant Accounts:</b>					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	1,475,591	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	1,640,863	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
<b>Total Utility Plant</b>	<b>3,116,454</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Accumulated Provision for Depreciation and Amortization:</b>					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	727,150	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	401,429	0	0	0	12
<b>Total Accumulated Provision</b>	<b>1,128,579</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Utility Plant</b>	<b>1,987,875</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**ACCUMULATED PROVISION FOR DEPRECIATION AND  
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT  
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY  
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.  
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
<b>Balance first of year (110.1)</b>	704,587				<b>704,587</b>	<b>1</b>
<b>Credits During Year</b>						<b>2</b>
<b>Accruals:</b>						<b>3</b>
Charged depreciation expense (403)	26,113				<b>26,113</b>	<b>4</b>
Depreciation expense on meters						<b>5</b>
charged to sewer (see Note 3)	3,000				<b>3,000</b>	<b>6</b>
Accruals charged other						<b>7</b>
accounts (specify):						<b>8</b>
					<b>0</b>	<b>9</b>
Salvage					<b>0</b>	<b>10</b>
Other credits (specify):						<b>11</b>
					<b>0</b>	<b>12</b>
<b>Total credits</b>	<b>29,113</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29,113</b>	<b>13</b>
<b>Debits during year</b>						<b>14</b>
Book cost of plant retired	6,550				<b>6,550</b>	<b>15</b>
Cost of removal					<b>0</b>	<b>16</b>
Other debits (specify):						<b>17</b>
					<b>0</b>	<b>18</b>
<b>Total debits</b>	<b>6,550</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,550</b>	<b>19</b>
<b>Balance end of year (110.1)</b>	<b>727,150</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>727,150</b>	<b>20</b>
<b>Composite Depreciation Rate?</b>	Yes					<b>21</b>
If yes, what is the rate?	2.00%					<b>22</b>



# **ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)**

Depreciation Accruals (Credits) during the year (110.2):

1. Report the amounts charged to Depreciation Expense (426).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
<b>Balance first of year (110.2)</b>					<b>0</b>	<b>1</b>
<b>Credits During Year</b>						<b>2</b>
<b>Accruals:</b>						<b>3</b>
Charged depreciation expense (426)	32,372				<b>32,372</b>	<b>4</b>
Accruals charged other						<b>5</b>
accounts (specify):						<b>6</b>
					<b>0</b>	<b>7</b>
Salvage					<b>0</b>	<b>8</b>
Other credits (specify):						<b>9</b>
Est. deprec on contrib plnt 1/1/03	369,057				<b>369,057</b>	<b>10</b>
<b>Total credits</b>	<b>401,429</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>401,429</b>	<b>11</b>
<b>Debits during year</b>						<b>12</b>
Book cost of plant retired	0				<b>0</b>	<b>13</b>
Cost of removal					<b>0</b>	<b>14</b>
Other debits (specify):						<b>15</b>
					<b>0</b>	<b>16</b>
<b>Total debits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17</b>
<b>Balance end of year (110.2)</b>	<b>401,429</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>401,429</b>	<b>18</b>
<b>Composite Depreciation Rate?</b>	Yes					<b>19</b>
If yes, what is the rate?	2.00%					<b>20</b>

**NET NONUTILITY PROPERTY (ACCTS. 121 & 122)**

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
<b>Other (specify):</b>					
3.1 acres of land	3,760			3,760	2
Valley road pump house	3,730			3,730	3
<b>Total Nonutility Property (121)</b>	<b>7,490</b>	<b>0</b>	<b>0</b>	<b>7,490</b>	
Less accum. prov. depr. & amort. (122)	3,730			3,730	4
 <b>Net Nonutility Property</b>	 <b>3,760</b>	 <b>0</b>	 <b>0</b>	 <b>3,760</b>	

**ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)**

<b>Particulars (a)</b>	<b>Amount (b)</b>	
Balance first of year	0	1
<b>Additions:</b>		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
<b>Total Additions</b>	<u>0</u>	
<b>Deductions:</b>		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
<b>Total accounts written off</b>	<u>0</u>	
<b>Balance end of year</b>	<u><u>0</u></u>	

**MATERIALS AND SUPPLIES**

<b>Account (a)</b>	<b>Generation (b)</b>	<b>Transmission (c)</b>	<b>Distribution (d)</b>	<b>Other (e)</b>	<b>Total End of Year (f)</b>	<b>Amount Prior Year (g)</b>	
<b>Electric Utility</b>							
Fuel for generation					0	0	1
Other					0	0	2
<b>Total Electric Utility</b>					<b>0</b>	<b>0</b>	

<b>Account</b>	<b>Total End of Year</b>	<b>Amount Prior Year</b>	
Electric utility total	0	0	1
Water utility	16,942	16,942	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
<b>Total Materials and Supplies</b>	<b>16,942</b>	<b>16,942</b>	

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT  
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
<hr/>				
Unamortized debt discount & expense (181)				
NONE				1
Total			<u>0</u>	
<hr/>				
Unamortized premium on debt (251)				
NONE				2
Total			<u>0</u>	

**CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

<b>Particulars (a)</b>	<b>Amount (b)</b>	
Balance first of year	220,072	1
<b>Changes during year (explain):</b>		
NONE		2
<b>Balance end of year</b>	<b>220,072</b>	

**BONDS (ACCT. 221)**

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

<b>Description of Issue (a)</b>	<b>Date of Issue (b)</b>	<b>Final Maturity Date (c)</b>	<b>Interest Rate (d)</b>	<b>Principal Amount End of Year (e)</b>
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

**NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT**

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
<b>Advances (223)</b>					
2001 GO NOTES	06/19/2001	08/01/2006	4.59%	88,774	1
2000 ADVANCE FOR HIGHLAND DRIVE	02/01/2000	12/01/2018	5.70%	120,536	2
<b>Total for Account 223</b>				<b>209,310</b>	



**TAXES ACCRUED (ACCT. 236)**

<b>Particulars (a)</b>	<b>Amount (b)</b>	
Balance first of year	51,614	1
<b>Accruals:</b>		
Charged water department expense	57,692	2
Charged electric department expense		3
Charged sewer department expense	1,900	4
<b>Other (explain):</b>		
NONE		5
<b>Total Accruals and other credits</b>	<b>59,592</b>	
<b>Taxes paid during year:</b>		
County, state and local taxes	51,614	6
Social Security taxes	7,317	7
PSC Remainder Assessment	661	8
<b>Other (explain):</b>		
NONE		9
<b>Total payments and other debits</b>	<b>59,592</b>	
<b>Balance end of year</b>	<b>51,614</b>	

**INTEREST ACCRUED (ACCT. 237)**

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
<b>Bonds (221)</b>					
NONE	0			0	1
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Advances from Municipality (223)</b>					
1997 GO Notes	0			0	2
2000 ADVANCE FOR HIGHLAND DRIVE	577	6,914	6,922	569	3
2001 ADVANCE FOR 2001 PROJECTS	443	6,263	5,008	1,698	4
<b>Subtotal</b>	<b>1,020</b>	<b>13,177</b>	<b>11,930</b>	<b>2,267</b>	
<b>Other long-Term Debt (224)</b>					
NONE	0			0	5
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Notes Payable (231)</b>					
NONE	0			0	6
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total</b>	<b>1,020</b>	<b>13,177</b>	<b>11,930</b>	<b>2,267</b>	

**BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
<b>Investment in Municipality (123):</b>		
ADVANCE TO SEWER FOR SIPHON; 10 YEARS BEGINNING IN 1995 AT 5%	18,442	1
<b>Total (Acct. 123):</b>	<b>18,442</b>	
<b>Other Investments (124):</b>		
NONE		2
<b>Total (Acct. 124):</b>	<b>0</b>	
<b>Special Funds (125):</b>		
NONE		3
<b>Total (Acct. 125):</b>	<b>0</b>	
<b>Notes Receivable (141):</b>		
NONE		4
<b>Total (Acct. 141):</b>	<b>0</b>	
<b>Customer Accounts Receivable (142):</b>		
Water	118,354	5
Electric		6
Sewer (Regulated)		7
<b>Other (specify):</b>		
NONE		8
<b>Total (Acct. 142):</b>	<b>118,354</b>	
<b>Other Accounts Receivable (143):</b>		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
<b>Other (specify):</b>		
DELINQUENTS ON TAX ROLL	1,428	11
<b>Total (Acct. 143):</b>	<b>1,428</b>	
<b>Receivables from Municipality (145):</b>		
DUE FROM VILLAGE FOR PUBLIC FIRE PROTECTION	28,304	12
<b>Total (Acct. 145):</b>	<b>28,304</b>	
<b>Prepayments (165):</b>		
NONE		13
<b>Total (Acct. 165):</b>	<b>0</b>	
<b>Extraordinary Property Losses (182):</b>		
NONE		14
<b>Total (Acct. 182):</b>	<b>0</b>	
<b>Other Deferred Debits (183):</b>		
NONE		15
<b>Total (Acct. 183):</b>	<b>0</b>	

**BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)
<b>Payables to Municipality (233):</b>	
NONE	16
<b>Total (Acct. 233):</b>	<b>0</b>
<b>Other Deferred Credits (253):</b>	
NONE	17
<b>Total (Acct. 253):</b>	<b>0</b>

**RETURN ON RATE BASE COMPUTATION**

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

<b>Average Rate Base (a)</b>	<b>Water (b)</b>	<b>Electric (c)</b>	<b>Sewer (d)</b>	<b>Gas (e)</b>	<b>Total (f)</b>	
<b>Add Average:</b>						
Utility Plant in Service (100.1)	1,461,470	0	0	0	<b>1,461,470</b>	<b>1</b>
Materials and Supplies	16,942	0	0	0	<b>16,942</b>	<b>2</b>
<b>Other (specify):</b>					<b>0</b>	<b>3</b>
<b>Less Average:</b>						
Reserve for Depreciation (110.1)	715,868	0	0	0	<b>715,868</b>	<b>4</b>
Customer Advances for Construction					<b>0</b>	<b>5</b>
					<b>0</b>	<b>6</b>
<b>Average Net Rate Base</b>	<b>762,544</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>762,544</b>	
Net Operating Income	62,969	0	0	0	<b>62,969</b>	<b>7</b>
<b>Net Operating Income as a percent of</b>						
<b>Average Net Rate Base</b>	<b>8.26%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>8.26%</b>	

## **IMPORTANT CHANGES DURING THE YEAR**

**Report changes of any of the following types:**

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**1. Acquisitions.**

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**2. Leaseholder changes.**

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**3. Extensions of service.**

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**4. Estimated changes in revenues due to rate changes.**

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**5. Obligations incurred or assumed, excluding commercial paper.**

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**6. Formal proceedings with the Public Service Commission.**

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**7. Any additional matters.**

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## FINANCIAL SECTION FOOTNOTES

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### Balance Sheet (Page F-05)

#### General footnotes

##### ACCOUNTANTS' COMPILATION REPORT

We have compiled the accompanying PSC Report of the Village of Kohler Water Utility, an enterprise fund of the Village of Kohler, as of December 31, 2003 and 2002, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Wisconsin Public Service Commission, information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Wisconsin Public Service Commission which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements are not designed for those who are not informed about such differences.

VIRCHOW, KRAUSE & COMPANY,LLP

Milwaukee, Wisconsin  
February 4, 2004

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**CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)**

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	1,591,975	0	0	0	0	<b>1,591,975</b>	<b>1</b>
<b>Add credits during year:</b>							
NONE						<b>0</b>	<b>2</b>
<b>Deduct charges (specify):</b>							
Closed January 1, 2003 per Docket 05-US-105	1,591,975					<b>1,591,975</b>	<b>3</b>
<b>Balance End of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	



**WATER OPERATING REVENUES & EXPENSES**

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>Operating Revenues</b>			
<b>Sales of Water</b>			
Sales of Water (460-467)	577,729	557,483	1
<b>Total Sales of Water</b>	<b>577,729</b>	<b>557,483</b>	
<b>Other Operating Revenues</b>			
Forfeited Discounts (470)	860	795	2
Other Water Revenues (474)	4,058	3,657	3
Amortization of Construction Grants (475)		0	4
<b>Total Other Operating Revenues</b>	<b>4,918</b>	<b>4,452</b>	
<b>Total Operating Revenues</b>	<b>582,647</b>	<b>561,935</b>	
<b>Operation and Maintenance Expenses</b>			
Plant Operation and Maintenance Expenses (600-660)	351,557	339,427	5
General Operating Expenses (680-690)	84,316	77,324	6
<b>Total Operation and Maintenance Expenses</b>	<b>435,873</b>	<b>416,751</b>	
<b>Other Operating Expenses</b>			
Depreciation Expense (403)	26,113	57,581	7
Amortization Expense (404)		0	8
Taxes (408)	57,692	57,248	9
<b>Total Other Operating Expenses</b>	<b>83,805</b>	<b>114,829</b>	
<b>Total Operating Expenses</b>	<b>519,678</b>	<b>531,580</b>	
<b>NET OPERATING INCOME</b>	<b>62,969</b>	<b>30,355</b>	

**WATER OPERATING REVENUES - SALES OF WATER**

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
<b>Operating Revenues</b>				
<b>Sales of Water</b>				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
<b>Total Unmetered Sales to General Customers (460)</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Metered Sales to General Customers (461)				
Residential	824	60,714	154,535	4
Commercial	43	55,731	86,032	5
Industrial	1	289,204	224,578	6
<b>Total Metered Sales to General Customers (461)</b>	<b>868</b>	<b>405,649</b>	<b>465,145</b>	
Private Fire Protection Service (462)	4		3,608	7
Public Fire Protection Service (463)	1		101,937	8
Other Sales to Public Authorities (464)	2	1,916	7,039	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
<b>Total Sales of Water</b>	<b>875</b>	<b>407,565</b>	<b>577,729</b>	

**SALES FOR RESALE (ACCT. 466)**

Use a separate line for each delivery point.

<b>Customer Name</b> <b>(a)</b>	<b>Point of Delivery</b> <b>(b)</b>	<b>Thousands of Gallons Sold</b> <b>(c)</b>	<b>Revenues</b> <b>(d)</b>
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NONE

**OTHER OPERATING REVENUES (WATER)**

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
<b>Public Fire Protection Service (463):</b>		
Amount billed (usually per rate schedule F-1 or Fd-1)	101,937	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
<b>Other (specify):</b>		
NONE		4
<b>Total Public Fire Protection Service (463)</b>	<b>101,937</b>	
<b>Forfeited Discounts (470):</b>		
Customer late payment charges	860	5
<b>Other (specify):</b>		
NONE		6
<b>Total Forfeited Discounts (470)</b>	<b>860</b>	
<b>Other Water Revenues (474):</b>		
Return on net investment in meters charged to sewer department	4,000	7
<b>Other (specify):</b>		
OTHER	58	8
<b>Total Other Water Revenues (474)</b>	<b>4,058</b>	

**WATER OPERATION & MAINTENANCE EXPENSES**

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

<b>Particulars (a)</b>	<b>This Year (b)</b>	<b>Last Year (c)</b>	
<b>PLANT OPERATION AND MAINTENANCE EXPENSES</b>			
Salaries and Wages (600)	65,866	61,275	<b>1</b>
Purchased Water (610)	208,884	207,214	<b>2</b>
Fuel or Power Purchased for Pumping (620)	23,869	17,180	<b>3</b>
Chemicals (630)		0	<b>4</b>
Supplies and Expenses (640)	36,992	35,010	<b>5</b>
Repairs of Water Plant (650)	14,036	16,914	<b>6</b>
Transportation Expenses (660)	1,910	1,834	<b>7</b>
<b>Total Plant Operation and Maintenance Expenses</b>	<b>351,557</b>	<b>339,427</b>	
<b>GENERAL OPERATING EXPENSES</b>			
Administrative and General Salaries (680)	31,180	27,552	<b>8</b>
Office Supplies and Expenses (681)	3,874	3,411	<b>9</b>
Outside Services Employed (682)	8,784	10,414	<b>10</b>
Insurance Expense (684)	5,316	5,491	<b>11</b>
Employees Pensions and Benefits (686)	34,457	29,510	<b>12</b>
Regulatory Commission Expenses (688)	60	0	<b>13</b>
Miscellaneous General Expenses (689)	645	946	<b>14</b>
Uncollectible Accounts (690)		0	<b>15</b>
<b>Total General Operating Expenses</b>	<b>84,316</b>	<b>77,324</b>	
<b>Total Operation and Maintenance Expenses</b>	<b>435,873</b>	<b>416,751</b>	

**TAXES (ACCT. 408 - WATER)**

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		51,614	51,614	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		1,900	1,540	2
<b>Net property tax equivalent</b>		<b>49,714</b>	<b>50,074</b>	
Social Security		7,317	6,683	3
PSC Remainder Assessment		661	491	4
Other (specify): NONE			0	5
<b>Total tax expense</b>		<b>57,692</b>	<b>57,248</b>	

**PROPERTY TAX EQUIVALENT (WATER)**

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Sheboygan				1
<b>SUMMARY OF TAX RATES</b>							2
State tax rate	mills		0.212600				3
County tax rate	mills		6.649540				4
Local tax rate	mills		4.739440				5
School tax rate	mills		9.938870				6
Voc. school tax rate	mills		1.749460				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
<b>Total tax rate</b>	mills		<b>23.289910</b>				10
Less: state credit	mills		1.198300				11
<b>Net tax rate</b>	mills		<b>22.091610</b>				12
<b>PROPERTY TAX EQUIVALENT CALCULATION</b>							13
<b>Local Tax Rate</b>	mills		<b>4.739440</b>				14
<b>Combined School Tax Rate</b>	mills		<b>11.688330</b>				15
<b>Other Tax Rate - Local</b>	mills		<b>0.000000</b>				16
<b>Total Local &amp; School Tax</b>	mills		<b>16.427770</b>				17
<b>Total Tax Rate</b>	mills		<b>23.289910</b>				18
<b>Ratio of Local and School Tax to Total</b>	dec.		<b>0.705360</b>				19
<b>Total tax net of state credit</b>	mills		<b>22.091610</b>				20
<b>Net Local and School Tax Rate</b>	mills		<b>15.582537</b>				21
Utility Plant, Jan. 1	\$	<b>3,039,325</b>	3,039,325				22
Materials & Supplies	\$	<b>16,942</b>	16,942				23
<b>Subtotal</b>	\$	<b>3,056,267</b>	<b>3,056,267</b>				24
Less: Plant Outside Limits	\$	<b>0</b>	0				25
<b>Taxable Assets</b>	\$	<b>3,056,267</b>	<b>3,056,267</b>				26
Assessment Ratio	dec.		0.940262				27
<b>Assessed Value</b>	\$	<b>2,873,692</b>	<b>2,873,692</b>				28
<b>Net Local &amp; School Rate</b>	mills		<b>15.582537</b>				29
<b>Tax Equiv. Computed for Current Year</b>	\$	<b>44,779</b>	<b>44,779</b>				30
Tax Equivalent per 1994 PSC Report	\$	51,614					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
<b>Tax equiv. for current year (see note 6)</b>	\$	<b>51,614</b>					34

## WATER UTILITY PLANT IN SERVICE

### --Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>INTANGIBLE PLANT</b>			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	192,354		10
Other Water Source Plant (317)	0		11
<b>Total Source of Supply Plant</b>	<b>192,354</b>	<b>0</b>	
<b>PUMPING PLANT</b>			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	63,817	5,428	13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	18,053		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	22,349		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
<b>Total Pumping Plant</b>	<b>104,219</b>	<b>5,428</b>	
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>0</b>	



**WATER UTILITY PLANT IN SERVICE (cont.)**  
**--Plant Financed by Utility or Municipality--**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
<b>INTANGIBLE PLANT</b>				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
<b>Total Intangible Plant</b>	0	0	0	
<b>SOURCE OF SUPPLY PLANT</b>				
Land and Land Rights (310)			0	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			0	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			192,354	10
Other Water Source Plant (317)			0	11
<b>Total Source of Supply Plant</b>	0	0	192,354	
<b>PUMPING PLANT</b>				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			69,245	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			18,053	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			22,349	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
<b>Total Pumping Plant</b>	0	0	109,647	
<b>WATER TREATMENT PLANT</b>				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
<b>Total Water Treatment Plant</b>	0	0	0	

## WATER UTILITY PLANT IN SERVICE

### --Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)	3,000		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	87,815		26
Transmission and Distribution Mains (343)	1,957,260	673	27
Fire Mains (344)	0		28
Services (345)	156,050		29
Meters (346)	126,315	3,750	30
Hydrants (348)	265,798	12,570	31
Other Transmission and Distribution Plant (349)	191		32
<b>Total Transmission and Distribution Plant</b>	<b>2,596,429</b>	<b>16,993</b>	
<b>GENERAL PLANT</b>			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	3,376	2,848	35
Computer Equipment (372.1)	24,817	5,086	36
Transportation Equipment (373)	81,304	7,352	37
Other General Equipment (379)	36,826	1,472	38
Other Tangible Property (390)	0		39
<b>Total General Plant</b>	<b>146,323</b>	<b>16,758</b>	
<b>Total utility plant in service directly assignable</b>	<b>3,039,325</b>	<b>39,179</b>	
Common Utility Plant Allocated to Water Department	0		40
<b>Total utility plant in service</b>	<b>3,039,325</b>	<b>39,179</b>	

**WATER UTILITY PLANT IN SERVICE (cont.)**  
**--Plant Financed by Utility or Municipality--**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>				
Land and Land Rights (340)			3,000	24
Structures and Improvements (341)			0	25
Distribution Reservoirs and Standpipes (342)			87,815	26
Transmission and Distribution Mains (343)		(1,314,084)	643,849	27
Fire Mains (344)			0	28
Services (345)		(104,421)	51,629	29
Meters (346)	500		129,565	30
Hydrants (348)	800	(177,858)	99,710	31
Other Transmission and Distribution Plant (349)			191	32
<b>Total Transmission and Distribution Plant</b>	<b>1,300</b>	<b>(1,596,363)</b>	<b>1,015,759</b>	
<b>GENERAL PLANT</b>				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			0	34
Office Furniture and Equipment (372)			6,224	35
Computer Equipment (372.1)	3,750		26,153	36
Transportation Equipment (373)	1,500		87,156	37
Other General Equipment (379)			38,298	38
Other Tangible Property (390)			0	39
<b>Total General Plant</b>	<b>5,250</b>	<b>0</b>	<b>157,831</b>	
<b>Total utility plant in service directly assignable</b>	<b>6,550</b>	<b>(1,596,363)</b>	<b>1,475,591</b>	
Common Utility Plant Allocated to Water Department			0	40
<b>Total utility plant in service</b>	<b>6,550</b>	<b>(1,596,363)</b>	<b>1,475,591</b>	

## WATER UTILITY PLANT IN SERVICE

### --Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>INTANGIBLE PLANT</b>			
Organization (301)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
<b>Total Intangible Plant</b>	<u>0</u>	<u>0</u>	
 <b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)			8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
<b>Total Source of Supply Plant</b>	<u>0</u>	<u>0</u>	
 <b>PUMPING PLANT</b>			
Land and Land Rights (320)			12
Structures and Improvements (321)			13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)			17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)			20
<b>Total Pumping Plant</b>	<u>0</u>	<u>0</u>	
 <b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)			23
<b>Total Water Treatment Plant</b>	<u>0</u>	<u>0</u>	

**WATER UTILITY PLANT IN SERVICE (cont.)**  
**--Plant Financed by Contributions--**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
<b>INTANGIBLE PLANT</b>			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
<b>Total Intangible Plant</b>	0	0	0
<b>SOURCE OF SUPPLY PLANT</b>			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
<b>Total Source of Supply Plant</b>	0	0	0
<b>PUMPING PLANT</b>			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
<b>Total Pumping Plant</b>	0	0	0
<b>WATER TREATMENT PLANT</b>			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
<b>Total Water Treatment Plant</b>	0	0	0

## WATER UTILITY PLANT IN SERVICE

### --Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>			
Land and Land Rights (340)			24
Structures and Improvements (341)			25
Distribution Reservoirs and Standpipes (342)			26
Transmission and Distribution Mains (343)		40,500	27
Fire Mains (344)			28
Services (345)			29
Meters (346)			30
Hydrants (348)		4,000	31
Other Transmission and Distribution Plant (349)			32
<b>Total Transmission and Distribution Plant</b>	<b>0</b>	<b>44,500</b>	
<b>GENERAL PLANT</b>			
Land and Land Rights (370)			33
Structures and Improvements (371)			34
Office Furniture and Equipment (372)			35
Computer Equipment (372.1)			36
Transportation Equipment (373)			37
Other General Equipment (379)			38
Other Tangible Property (390)			39
<b>Total General Plant</b>	<b>0</b>	<b>0</b>	
<b>Total utility plant in service directly assignable</b>	<b>0</b>	<b>44,500</b>	
Common Utility Plant Allocated to Water Department			40
<b>Total utility plant in service</b>	<b>0</b>	<b>44,500</b>	

**WATER UTILITY PLANT IN SERVICE (cont.)**  
**--Plant Financed by Contributions--**

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>				
Land and Land Rights (340)			0	24
Structures and Improvements (341)			0	25
Distribution Reservoirs and Standpipes (342)			0	26
Transmission and Distribution Mains (343)		1,314,084	1,354,584	27
Fire Mains (344)			0	28
Services (345)		104,421	104,421	29
Meters (346)			0	30
Hydrants (348)		177,858	181,858	31
Other Transmission and Distribution Plant (349)			0	32
<b>Total Transmission and Distribution Plant</b>	<b>0</b>	<b>1,596,363</b>	<b>1,640,863</b>	
<b>GENERAL PLANT</b>				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			0	34
Office Furniture and Equipment (372)			0	35
Computer Equipment (372.1)			0	36
Transportation Equipment (373)			0	37
Other General Equipment (379)			0	38
Other Tangible Property (390)			0	39
<b>Total General Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total utility plant in service directly assignable</b>	<b>0</b>	<b>1,596,363</b>	<b>1,640,863</b>	
Common Utility Plant Allocated to Water Department				0 40
<b>Total utility plant in service</b>	<b>0</b>	<b>1,596,363</b>	<b>1,640,863</b>	

**SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS**

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January	30,755			<b>30,755</b>	<b>1</b>
February	32,848			<b>32,848</b>	<b>2</b>
March	31,197			<b>31,197</b>	<b>3</b>
April	35,802			<b>35,802</b>	<b>4</b>
May	31,644			<b>31,644</b>	<b>5</b>
June	39,644			<b>39,644</b>	<b>6</b>
July	44,654			<b>44,654</b>	<b>7</b>
August	43,738			<b>43,738</b>	<b>8</b>
September	48,364			<b>48,364</b>	<b>9</b>
October	37,931			<b>37,931</b>	<b>10</b>
November	33,624			<b>33,624</b>	<b>11</b>
December	26,465			<b>26,465</b>	<b>12</b>
<b>Total annual pumpage</b>	<b>436,666</b>	<b>0</b>	<b>0</b>	<b>436,666</b>	
Less: Water sold				407,565	<b>13</b>
Volume pumped but not sold				<b>29,101</b>	<b>14</b>
Volume sold as a percent of volume pumped				<b>93%</b>	<b>15</b>
Volume used for water production, water quality and system maintenance				425	<b>16</b>
Volume related to equipment/system malfunction				531	<b>17</b>
Non-utility volume NOT included in water sales				0	<b>18</b>
Total volume not sold but accounted for				<b>956</b>	<b>19</b>
Volume pumped but unaccounted for				<b>28,145</b>	<b>20</b>
Percent of water lost				<b>6%</b>	<b>21</b>
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					<b>22</b>
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				1,304	<b>23</b>
Date of maximum: 8/21/2003					<b>24</b>
Cause of maximum:					<b>25</b>
Dry Weather					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				319	<b>26</b>
Date of minimum: 12/25/2003					<b>27</b>
Total KWH used for pumping for the year				170,900	<b>28</b>
If water is purchased: Vendor Name: City of Sheboygan					<b>29</b>
Point of Delivery: Booster pump station at water tower					<b>30</b>



**SOURCES OF WATER SUPPLY - GROUND WATERS**

<b>Location (a)</b>	<b>Identification Number (b)</b>	<b>Depth in feet (c)</b>	<b>Well Diameter in inches (d)</b>	<b>Yield Per Day in gallons (e)</b>	<b>Currently In Service? (f)</b>
-------------------------	--	----------------------------------	--	---	--

NONE

**SOURCES OF WATER SUPPLY - SURFACE WATERS**

<b>Location (a)</b>	<b>Intakes</b>			
	<b>Identification Number (b)</b>	<b>Distance From Shore in feet (c)</b>	<b>Depth Below Surface in feet (d)</b>	<b>Diameter in inches (e)</b>
NONE				

1

**PUMPING & POWER EQUIPMENT**

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>	
Identification	BOOSTER			<b>1</b>
Location	PUMP STATION			<b>2</b>
Purpose	B			<b>3</b>
Destination	D			<b>4</b>
Pump Manufacturer	ALLIS CHALMERS			<b>5</b>
Year Installed	1973			<b>6</b>
Type	CENTRIFUGAL			<b>7</b>
Actual Capacity (gpm)	1,350			<b>8</b>
Pump Motor or Standby Engine Mfr	ALLIS CHALMERS			<b>10</b>
Year Installed	1973			<b>11</b>
Type	ELECTRIC			<b>12</b>
Horsepower	40			<b>13</b>

<b>Particulars (a)</b>	<b>Unit D (b)</b>	<b>Unit E (c)</b>	<b>Unit F (d)</b>	
Identification				<b>14</b>
Location				<b>15</b>
Purpose				<b>16</b>
Destination				<b>17</b>
Pump Manufacturer				<b>18</b>
Year Installed				<b>19</b>
Type				<b>20</b>
Actual Capacity (gpm)				<b>21</b>
Pump Motor or Standby Engine Mfr				<b>22</b>
Year Installed				<b>23</b>
Type				<b>25</b>
Horsepower				<b>26</b>

**RESERVOIRS, STANDPIPES & WATER TREATMENT**

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

<b>Particulars (a)</b>	<b>Unit A (b)</b>	<b>Unit B (c)</b>	<b>Unit C (d)</b>
Identification number or name	1		1
<b>RESERVOIRS, STANDPIPES OR ELEVATED TANKS</b>			2
			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		4
			5
Year constructed	1962		6
			7
Primary material (earthen, steel, concrete, other)	STEEL		8
			9
Elevation difference in feet (See Headnote 3.)	165		10
			11
Total capacity in gallons (actual)	250,000		12
<b>WATER TREATMENT PLANT</b>			13
Disinfection, type of equipment (gas, liquid, powder, other)			14
			15
Points of application (wellhouse, central facilities, booster station, other)			16
			17
Filters, type (gravity, pressure, other, none)			18
			19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			20
			21
			22
Is a corrosion control chemical used (yes, no)?			23
			24
Is water fluoridated (yes, no)?			25

**WATER MAINS**

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
  - a. Explain how the additions were financed.
  - b. If assessed against property owners, explain the basis of the assessments.
  - c. If the assessments are deferred, explain.

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	4.000	500	0	0	0	500	1
M	D	6.000	34,077	0	0	0	34,077	2
P	D	6.000	1,827	0	0	0	1,827	3
M	D	8.000	16,948	0	0	0	16,948	4
P	D	8.000	6,914	0	0	0	6,914	5
M	T	10.000	14,101	0	0	0	14,101	6
P	D	10.000	3,293	0	0	0	3,293	7
P	T	10.000	1,401	0	0	0	1,401	8
M	T	12.000	23,727	0	0	0	23,727	9
P	T	12.000	1,668	0	0	0	1,668	10
M	T	14.000	2,465	0	0	0	2,465	11
P	T	14.000	45	0	0	0	45	12
M	T	16.000	13,002	0	0	0	13,002	13
P	T	16.000	0	810	0	0	810	14
<b>Total Within Municipality</b>			<b>119,968</b>	<b>810</b>	<b>0</b>	<b>0</b>	<b>120,778</b>	
<b>Total Utility</b>			<b>119,968</b>	<b>810</b>	<b>0</b>	<b>0</b>	<b>120,778</b>	

**WATER SERVICES**

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
  - a. Explain how the additions were financed.
  - b. If assessed against property owners, explain the basis of the assessments.
  - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
  - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
L	0.625	414	0	0	0	414		1
L	1.000	12	0	0	0	12		2
M	1.000	326	0	0	0	326	20	3
M	1.500	5	0	0	0	5		4
L	1.500	2	0	0	0	2		5
M	2.000	6	0	0	0	6		6
L	2.000	5	0	0	0	5		7
M	3.000	1	0	0	0	1		8
M	4.000	6	0	0	0	6	2	9
M	6.000	27	0	0	0	27	13	10
L	6.000	1	0	0	0	1		11
M	8.000	18	0	0	0	18	8	12
M	10.000	4	0	0	0	4	2	13
M	12.000	2	0	0	0	2	1	14
<b>Total Utility</b>		<b>829</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>829</b>	<b>46</b>	

**METERS**

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

**Number of Utility-Owned Meters**

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	421	3	3	0	421	0	1
0.750	232	24	4	0	252	0	2
1.000	220	0	0	(1)	219	0	3
1.500	19	1	0	0	20	0	4
2.000	14	1	0	(1)	14	0	5
3.000	1	0	0	0	1	0	6
4.000	7	0	0	0	7	5	7
6.000	5	0	0	0	5	5	8
8.000	4	0	0	0	4	4	9
12.000	2	0	0	0	2	2	10
<b>Total:</b>	<b>925</b>	<b>29</b>	<b>7</b>	<b>(2)</b>	<b>945</b>	<b>16</b>	

**Classification of All Meters at End of Year by Customers**

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	416	5	0	0	0	0	421	1
0.750	235	1	0	0	0	16	252	2
1.000	199	13	0	0	0	7	219	3
1.500	0	17	0	3	0	0	20	4
2.000	0	10	0	4	0	0	14	5
3.000	0	1	0	0	0	0	1	6
4.000	0	6	0	0	0	1	7	7
6.000	0	0	1	3	0	1	5	8
8.000	0	0	3	0	0	1	4	9
12.000	0	0	0	1	0	1	2	10
<b>Total:</b>	<b>850</b>	<b>53</b>	<b>4</b>	<b>11</b>	<b>0</b>	<b>27</b>	<b>945</b>	

**HYDRANTS AND DISTRIBUTION SYSTEM VALVES**

1. Distinguish between fire and flushing hydrants by lead size.
  - a. Fire hydrants normally have a lead size of 6 inches or greater.
  - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
<b>Fire Hydrants</b>						
Outside of Municipality	0				0	1
Within Municipality	168	6	4		170	2
<b>Total Fire Hydrants</b>	<b>168</b>	<b>6</b>	<b>4</b>	<b>0</b>	<b>170</b>	
<b>Flushing Hydrants</b>						
	2				2	3
<b>Total Flushing Hydrants</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	

**NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.**

Number of hydrants operated during year:	170
Number of distribution system valves end of year:	318
Number of distribution valves operated during year:	314



## WATER OPERATING SECTION FOOTNOTES

### Water Operation & Maintenance Expenses (Page W-05)

If Fuel or Power Purchased for Pumping (620), divided by the Total kWh Used for Pumping on the Source of Supply, Pumping and Purchased Water Statistics schedule, is less than 3 cents or greater than 12 cents, please explain.

ELECTRIC AND GAS RATES INCREASED SIGNIFICANTLY IN 2003.

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

ACCOUNT 620: ELECTRIC AND GAS RATES INCREASED SIGNIFICANTLY IN 2003.

### Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

If Adjustments for any account are nonzero, please explain.

ADJUSTMENTS RELATE TO CIAC ALLOCATION, WHICH WAS COMPUTED AS FOLLOWS:

CIAC Balance 12/31/02 per PSC report				1,591,975
Identified CIAC				-
Remaining Balance to Allocate				1,591,975
	12/31/02		Allocation	Total
Mains	\$1,957,260	82%	\$1,309,696	\$1,309,696
Services	156,050	7%	104,421	104,421
Hydrants	265,798	11%	177,858	177,858
Total Identified CIAC	2,379,108		1,591,975	1,591,975
Adjustment for asset capitalized in 2001 and assessed in 2003				4,388
Total adjustment				1,596,363

**WATER OPERATING SECTION FOOTNOTES****Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-10)**

If Adjustments for any account are nonzero, please explain.

ADJUSTMENTS RELATE TO CIAC ALLOCATION, WHICH WAS COMPUTED AS FOLLOWS:

CIAC Balance 12/31/02 per PSC report				1,591,975
Identified CIAC				-
Remaining Balance to Allocate				1,591,975
	12/31/02		Allocation	Total
Mains	\$1,957,260	82%	\$1,309,696	\$1,309,696
Services	156,050	7%	104,421	104,421
Hydrants	265,798	11%	177,858	177,858
Total Identified CIAC	2,379,108		1,591,975	1,591,97
Adjustment for asset capitalized in 2001 and assessed in 2003				4,388
Total adjustment				1,596,363

**Water Mains (Page W-17)**

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

All main additions were financed by a developer contribution.

**Meters (Page W-19)**

Explain all reported adjustments.

The 1 inch and 2 inch meters both had an adjustment of 1 meter to report information to be in agreement with the inventory records maintained by the Utility.